<u>REMARKS</u>

Applicant has amended the Claims 1-4, cancelled the Claims 6-15 without prejudice, and amended the Claim 16. Applicant respectfully submits that these amendments to the claims are supported by the application as originally filed and do not contain any new matter. Therefore, the Office Action will be discussed in terms of the claims as amended.

The Examiner has rejected the Claims 1-5, 7-9, 11-14, 16, 17, 19-23 and 25 under 35 U.S.C. 102 as being anticipated by Strauts, stating that Strauts shows all elements of the claimed invention as the Examiner points out in paragraphs 3.a-3.n.

In reply thereto, Applicant has carefully reviewed Strauts, and respectfully submits that Strauts does not show each and every element of Applicant's invention. In particular, Applicant respectfully submits that Strauts does not show two receiving coils having identical characteristics arranged in the vicinity of one side of the coin passage to be electromagnetically connected with the exciting coil and also electrically connected to the input of a differential amplifier so that the output of the differential amplifier is based on a differential input from the two receiving coils. Still further, Applicant respectfully submits that the discrimination of the authenticity in Strauts is not based upon the output of a differential amplifier and at least one of the amplitude, frequency and phase of the oscillation voltage of the exciting coil. Also, the outputs of the two receiving coils are based upon a detection of the influence of a reactive magnetic field generated by the eddy current which is induced on a surface of the thrown coin when the coin passes through an electromagnetic field produced by the exciting coil and is not merely the detection of an eddy current.

More specifically, Applicant respectfully submits that a first detecting means 250 referred to in paragraph 3.d of the Examiner's action merely detects the eddy current, and the output thereof is sent to an ordinary amplifier means 256 and not a differential amplifier. Still further, Applicant respectfully submits that element 256 is in fact a mere amplifier and not a detecting means. Applicant also respectfully submits that the detecting means comprises a single element consisting of excitation coil 212 and detection coils 222 and 224 and the coils 224 and 222 together with the excitation coil 212 are merely for the purpose of measuring the eddy current and are not for the purpose of measuring "an electromotive force influenced by a reactive magnetic field caused by the eddy current induced on the surface of the thrown coin." In addition, Applicant respectfully submits that the discriminating means referred to by the

Examiner in paragraph 3.f of the Office Action only relates to discriminating the type of material. Finally, Applicant respectfully submits that paragraph 3.g of the Examiner's Office Action is incorrect and in fact only relates to the detection of the material of the coin by means of detecting the eddy current.

In view of the above, therefore, Applicant respectfully submits that Strauts does not disclose each and every element of Applicant's invention as claimed, and the Claims 1-5, 16, 17, 19-23 and 25 are not anticipated by Strauts.

The Examiner has further rejected the Claims 6, 18, 24 and 26 under 35 U.S.C. 103 as being obvious over Strauts in view of Fougere, stating that Strauts discloses all of the system as described in paragraphs 3.a-3.n but does not disclose certain means such as a bridge circuit in a differential amplifier and a coin passage formed so that the coin passing thereto is inclined, all of which are disclosed by Fougere; and it would have been obvious to one of ordinary skill in the art to modify Strauts in view of the teachings of Fougere.

In reply thereto, Applicant would like to incorporate by reference his comments above concerning Applicant's invention and Strauts. In addition, Applicant has carefully reviewed Fougere, and respectfully submits that Fougere discloses a two-frequency device which utilizes separate coils and two different oscillation frequencies, a high and a low, so as to detect the shift in the frequency of both the high and the low signals and thereby detect the value of the coin. Accordingly, while the Examiner suggests that Fougere is properly combinable with Strauts because they both relate to a coin detector, Applicant respectfully submits that the differences in operation would cause one of ordinary skill in the art not to combine the teachings thereof.

In view of the above, therefore, Applicant respectfully submits that not only is the combination suggested by the Examiner not Applicant's invention, but also that the combination suggested by the Examiner would not have been suggested to one of ordinary skill in the art. Therefore, Applicant respectfully submits that the Claims 18, 24 and 27 are not obvious over Strauts in view of Fougere.

The Examiner has rejected the Claims 10, 15 and 26 under 35 U.S.C. 103 as being obvious over Strauts in view of Laskowski, et al., stating that Strauts discloses a system as described above in paragraphs 3.a-3.n, but fails to disclose a statistical process that is performed by obtaining a coefficient of correlation of the sampled values with respect to the referenced coin, and discriminating the thrown coin based on the magnitude of said correlation coefficient,

as does Laskowski, et al.; and it would have been obvious to one of ordinary skill in the art to modify Strauts in view of the teachings of Laskowski, et al.

In reply thereto, Applicant would like to incorporate by reference the comments above concerning Applicant's invention and Strauts. In addition, Applicant has carefully reviewed Laskowski, et al. and respectfully submits that the data derived therein is from the detection from banknotes and not coins. Since banknotes are made from paper and coins are made from metal, Applicant respectfully submits that the two are not analogous and one of ordinary skill in the art would not be motivated to combine the two.

In view of the above, therefore, Applicant respectfully submits that the combination suggested by the Examiner is not only not Applicant's invention but also would not be suggested to one of ordinary skill in the art. Therefore, Applicant respectfully submits that the Claim 26 is not obvious over Strauts in view of Laskowski, et al.

Applicant further respectfully and retroactively requests a three-month extension of time to respond to the Office Action and respectfully requests that the extension fee in the amount of \$1,020.00 be charged to KODA & ANDROLIA DEPOSIT ACCOUNT NO. 11-1445.

In view of the above, therefore, it is respectfully requested that this Amendment be entered, favorably considered and the case passed to issue.

Please charge any additional costs incurred by or in order to implement this Amendment or required by any requests for extensions of time to KODA & ANDROLIA DEPOSIT ACCOUNT NO. 11-1445.

Respectfully submitted,

KODA & ANDROLIA

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4/12/2005 Date